

Weatherization Assistance Program (WAP)
Bi-Partisan Infrastructure Bill (BIL)

Department of Energy

REQUEST FOR APPLICATION FOR AUTHORIZED OKLAHOMA REGIONAL AREA WEATHERIZATION ASSISTANCE PROGRAM BIPARTISAN INFRASTRUCTURE BILL PROVIDERS

February 2023

Community Development Division 900 N. Stiles Ave. Oklahoma City, OK 73104 800-588-5959 okcommerce.gov

Table of Contents

Request for Application	. 3
Introduction & Statement of Purpose	.3
Definitions	.4
WAPBIL 2022:2022 Application Modification Submission Instruction	.6
WAPBIL 2022:2022 Subgrantee Workbook Instructions1	10
Uploads Checklist1	11

REQUEST FOR APPLICATION

Authorized Regional Weatherization Service Providers

1. INTRODUCTION & STATEMENT OF PURPOSE

The Oklahoma Department of Commerce (ODOC) has been responsible for the administration of the Department of Energy Weatherization Assistance Program (DOE WAP) since 1977. DOE's WAP mission is to "reduce costs for low-income families, particularly for the elderly, people with disabilities, and children, by improving the energy efficiency of their homes while ensuring their health and safety.¹" ODOC currently contracts with 6 (six) non-profit service providers (Authorized Regional Weatherization Service Providers) to serve Oklahoma counties' low-income eligible families with weatherization services in residential single-family and multifamily units (up to four units) and mobile homes.

All weatherization work and services provided to eligible households must be completed in accordance with DOE WAP regulations and as prescribed in the

- 1. ODOC Weatherization Operations Manual
- 2. Policies and Procedures for Energy Audits
- 3. Oklahoma Weatherization Field Guide²
- 4. all ODOC Active Weatherization Program Notices, and
- 5. ODOC's DOE Approved BIL State Plan³
- 6. WAP BIL Contract Part II4

ODOC is issuing this Request for Application (RFA) to ask Authorized Regional Weatherization Service Providers to apply for the newly allocated BIL funding and continue to deliver high quality weatherization services to qualified individuals and families. All applicants are asked to apply for ~four-year funding for the contract period of October 1, 2022 – December 31, 2026, to serve their assigned Regional Service Areas. All regions are illustrated on this <u>map</u>. Only those with a letter from ODOC stating they are an "Authorized Regional Weatherization Service Provider" are eligible to apply for a Region.

¹ For more information and mission reference: https://www.energy.gov/eere/wap/about-weatherization-assistance-program

² Retrofitting Oklahoma, Standard Work Specification-aligned Field Guide

³ Please note that DOE WAPBIL has a separate approved State Plan. If there is any conflict between DOE WAP and DOE WAPBIL, DOE WAPBIL State Plan takes precedent for homes weatherized with BIL funding.

⁴ Available upon request or after contract execution

2. DEFINITIONS

Average cost per unit (ACPU): To calculate the <u>ACPU</u>, take the Program Operations total divided by the Number of Units/Homes.

Additional ACPU Guidance

- Agency's ACPU (effective April 1, 2023 for DOE PY23 and upon contract execution for all BIL WAP grants) = Program Operations Divided By Number of Homes
- Agency's ACPU (prior to April 1, 2023) = Program Support + Materials Divided By Number of Homes
- State's ACPU determined by DOE (for the entire WAP BIL performance period) = \$8,009

ACPU Notes

- An agency can spend more on Program Operations the more units/homes they complete.
- If no units/homes are completed, no program operation costs are allowable.
- If some units/homes cost significant less than the ACPU, some units/homes can exceed the cost of \$8,009, as long as it averages out to the ACPU.
- A successfully weatherization agency should be constant recalculating and readjusting their budget as units/homes are completed to account for the fluctuating ACPU.

Applicant – The term <u>applicant</u> will be used to describe the entity (or Authorized Regional Weatherization Service Provider) that applies to this RFA in OKGrants, who desires to enter into a contractual agreement with ODOC. The term applicant will be used interchangeably with service provider and agency.

Authorized Regional Weatherization Service Provider: <u>Authorized Regional Weatherization Service Providers</u> are public or non-profit entities. Currently, all service providers in Oklahoma are Community Action Agencies (CAAs) that were created under the 1964 Economic Opportunity Act. CAAs are designated recipients of Community Service Block Grant funding.

BPI – The <u>Building Performance Institute</u> is the certification and standard setting organization for home performance professionals. All WAP workers that work inside a client home (Energy Auditors, Retrofit Installers, Crew Leaders, and Quality Control Inspectors) must be trained or supervised by someone who has been trained according to BPI standards, although only Quality Control Inspectors are required to have a BPI certification at this time.

H&S – <u>Health and Safety</u> refers to all costs (both labor and material) that are installed in a home to ensure the health and safety of a client. These costs must be allowable per ODOC/DOE requirements. H&S costs are not calculated in the ACPU.

ODOC – the <u>Oklahoma Department of Commerce</u>. ODOC is the State Grantee for DOE WAP funding from the US Department of Energy and LIHEAP WX from the Oklahoma Department of Human Services (DHS).

ODOC's Weatherization Operations Manual – <u>ODOC's Weatherization Operations Manual</u> is a set of mutually agreed upon programmatic implementation procedures established between ODOC and service providers that the Energy Project Specialist and Energy Efficiency Quality Assurance Specialist will be required to use when monitoring service providers for compliance with ODOC policies. It is also the manual that trainers must

Community Development

reference and cite and ensure compliance with when teaching Oklahoma specific policies and procedures. The most current manual can be accessed here: https://www.okcommerce.gov/community-development/community-action-agencies/weatherization-assistance-program-wap/.

Oklahoma's Weatherization Field Guide – The <u>field guide</u> that service providers are required to use. Previously, there had been one for Single Family Units and one for Mobile Homes. The most recent DOE approved Field Guide has combined all SWS standards for both Single Family and Mobile Homes into a single manual. This guide aligns Standard Work Specifications with DOE allowable measures and ODOC policies. The most current field guide can always be found on our ODOC website <u>here</u>.

OKGrants – OKGrants is ODOC's grant management system for reporting, payment, and monitoring.

Program Allocation/Funds - <u>Program Allocation/Funds</u> refers to any program funds allocated towards allowable DOE Weatherization costs EXCEPT for Administration and Training & Technical Assistance. All other program costs are included.

Program Operations: <u>Program Operations</u> is inclusive of all costs that are used to calculate the Average Cost Per Unit (ACPU). In other words, these are all direct costs (both labor and materials) that are spent on a unit/home to install energy efficiency measures that have measureable energy savings. Liability, fiscial audit, and vehicles over \$5,000, along with T/TA, H&S, and Admin, are excluded from the ACPU.

The following indirect costs are also to be calculated in Program Operations (and therefore limited by the ACPU):

- Vehicle transportation and maintenance costs
- Costs spent to assess a home (that is later deferred) although some or no work has bee4n completed
- Health and Safety labor costs (never materials costs)⁵
- Office expenses and storage

Service Providers – <u>Service Providers</u> or Authorized Regional Weatherization Service Providers are public or non-profit entities. Currently, all service providers in Oklahoma are Community Action Agencies (CAAs) that were created under the 1964 Economic Opportunity Act. CAAs are designated recipients of Community Service Block Grant funding.

WAP Program Year – <u>The Weatherization Assistance Program Year</u>, funded by the United States Department of Energy (DOE), runs April 1 – March 31 for Oklahoma.

WAPBIL – the <u>Weatherization Assistance Program Bi-Partisan Infrastructure Law</u> (BIL) provides Oklahoma with \$42,330,032 more in WAP funding to weatherize additional homes. For the new WAPBIL funding, allocations will be retroactive to October 1, 2022, and will closeout December 31, 2026, unless additional extension by ODOC and DOE are approved.

⁵ Note that these costs do not have to be included in Program Operations. H&S labor costs (only labor not materials) can be included in the H&S line budget line item OR in the Program Operations line item.

Community Development

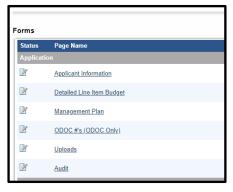
3. OKGRANTS WEATHERIZATION-WAPBIL 2022:2022 APPLICATION MODIFICATION INSTRUCTIONS

Use the instructions below to complete the ODOC Weatherization – WAPBIL 2022:2022 Application Modification Process.

3.1 Locate your Agency's' OKGrant's ODOC Weatherization – WAPBIL 2022:2022 Application in the OKGrants task box. It should have the status of "Changes Requested".

3.2 BUDGET

3.2.1 Find the 15 percent Regional BIL Program Allocation listed in the agency's reflected in Appendix A.



- 3.2.2 Use the Total Program Allocation amount to determine the following Cost Categories (see Sections 3.5 3.5 below) and complete the Present Budget column in OKGrants.
- 3.2.3 NOTE A brief description of allowable costs for each Cost Category is listed below, but it is not an exhaustive list of all possible allowable costs. Please contact Greg Gaden at gregory.gaden@okcommerce.gov with questions about where to budget a specific expense that is not listed or to determine if the cost is allowable. Most of the information listed below for each Cost Category can be found in DOE Weatherization Program Notice BIL (WPN) 22 -1.
- 3.3 <u>INSURANCE</u> (excluded from ACPU) All Grantees and Subrecipients must be covered by liability insurance. Liability insurance refers to general contractor, or other insurance policies that provide protection in case of personal injury or property damage resulting from weatherization services. Liability insurance can be charged to the insurance category in the budget, which was created to ensure that such costs would not have to be charged to the administrative cost category.
 - 3.3.1 Liability and other types of agency insurance may be budgeted here, if it is cost allocated as per the agency's cost allocation plan.
 - 3.3.2 Liability insurance policies generally do not provide coverage for many health and safety measures, especially lead in the form of lead-based paint and other hazardous conditions that might be caused or exacerbated by weatherization activities. Grantees and/or Subrecipients may

purchase Pollution Occurrence Insurance (POI) as a part of, or an addendum to, general liability insurance and the costs may be included in the liability insurance category. The policy cannot exclude lead if DOE funds are used to purchase the policy. If applicants do not obtain POI coverage and damage occurs or there is disturbance to any other environmental pollutants, the cost of remediation, clean up, relocation, medical expenses, or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding source.

3.4. <u>AUDIT</u> (excluded from ACPU)

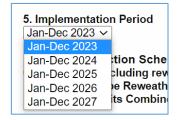
- 3.4.1 The agency's financial audit (that must meet <u>Uniform Grant Guidance</u> requirements) is budgeted here. The cost must be cost allocated as per the agency's cost allocation plan.
- 3.5 <u>PROGRAM OPERATIONS</u> Program Operation funds must be budgeted at no more than an Average Cost Per Unit (ACPU) of \$8,009 throughout the duration of DOE WAPBIL (except during the very beginning the first 12 to 18 months). Use this budget line item to budget and expense any cost category that used to be within Program Support, including the following:
 - 3.5.1 Any salary and fringe for any crew-based Crew Leader, Energy Auditor, QCI, or Retrofit Installer doing work on site in a client home.
 - 3.5.2 Funds can also be used for staff salary and fringe for employees within the applicant's WAP program not working directly on installing, auditing, or inspecting work completed in a home, but critical to the completion of the home or grant performance, for example, the Program Manager, Intake or Administrative and Accounting Staff, Executive Director, etc.
 - 3.5.3 Salary and fringe for staff attending classroom, conference, or online training can also be charged here IF training funds are exhausted.
 - 3.5.4 Labor for any work completed by a subcontractor of any type (another service provider HVAC, roofing, insulation installer, etc.).
 - 3.5.5 Transportation expenses used to transport weatherization materials, tools, equipment, and work crews to a storage site and to the site of weatherization.
 - 3.5.6. The cost of maintenance, operation, and insurance of vehicles used to transport weatherization materials.
 - 3.5.7 The cost of tools and equipment purchases or leases (less than \$5,000 OR those that are greater than \$5,000 that the agency does not wish to amortize) are eligible expenses for this budget line item.
 - 3.5.8 The cost of maintenance of tools and equipment is an eligible cost. Tools and equipment purchased with Federal dollars must be maintained as per manufacturer's specifications.

- 3.5.8.1 Please note that the full budgeted/purchase price of these items are immediately calculated into the ACPU.
- 3.5.9 Storage costs of weatherization materials, tools, equipment, and weatherization vehicles are all eligible.
 - 3.5.9.1 NOTE: No leases may be pre-paid that exceed the end of the grant period.
 - 3.5.9.2 Utility costs at a storage facility or unit only (heat, light, water) are allowable.
 - 3.5.9.3 Service providers may use this budget category to retrofit the storage facility.
- 3.5.10 Service providers must submit a request to the Energy Efficiency Quality Assurance Specialist to receive written approval prior to beginning a retrofit of any storage facility.
- 3.5.11 General office supplies can be budgeted here, provided the costs follow a cost allocation plan. Eligible costs may include (but are not limited to): Space rental/lease, utilities, telephone, paper, internet, copier, etc.
- 3.5.12 All materials (calculated as part of ACPU) are eligible to be charged to Program Operations. See Appendix A and ODOC's Policy and Procedures for Energy Audits for allowable energy conservation measures. Allowable health & safety measures must be charged to health and safety and not to materials.
- 3.6 <u>HEALTH & SAFETY</u> (maximum threshold of 17% of the ACPU at time of application, additional percent increase may be requested later in the contract period)
 - 3.6.1 Health and Safety (H&S) is 17% of the ACPU or \$1361.53 per home (\$8,009 x 17%). To determine an agency's maximum allowed H&S amount, multiple \$1361.53 x the number of planned weatherized units for the program year.
 - 3.6.2 Allowable health and safety materials (see DOE approved H&S Plan) and the cost of labor to install the materials can be budgeted in this Cost Category. Optionally, if an agency chooses, they can budget H&S labor only (not materials) to Program Operations.
 - 3.6.3 Health and Safety training is NOT an allowable cost under H&S. H&S Training must be charged to the Training budget line item. Allowable Health & Safety measures must be charged to Health and Safety and not to materials.
- 3.7 <u>VEHICLE & EQUIPMENT ACQUISITION COST</u> (not immediately calculated into ACPU)
 - 3.7.1 Include the full purchase price of a vehicle acquisition in this line item. Be sure to submit a <u>Vehicle Acquisition Request Form</u> if any funds are budgeted here. A vehicle may NOT be purchased without DOE and ODOC prior written approval.

- 3.7.2 It is important to note that the acquisition cost of any vehicles and equipment over \$5,000 will NOT be calculated into the cost of the ACPU. The amortized cost of the vehicle will be included in the cost of the ACPU when reported monthly on the expenditure reports. Training on how to purchase and amortize vehicles can be found on ODOC's website.
- 3.8. Once Program Operation budget calculations have been determined, use the applicant's Award Letter or Appendix A to determine the administration and T&TA budget amounts.
- 3.9 <u>ADMINISTRATION</u> funds may be used to cover staff and fringe costs (for example, accounting staff, and human resources staff). Any other expenditures that are allowable under a different weatherization budget line item may be charged to administration
 - 3.9.1 Indirect costs are allowed if there is a federally approved indirect cost rate. See <u>2 CFR 200.414</u> Indirect (F&A) costs for more information.
 - 3.9.2 Service providers must budget 100% of all awarded administration funds. A budget revision or contract modification may be requested later in the program year for unspent administration funds.
- 3.10 <u>TRAINING & TECHNICAL ASSISTANCE</u> funds are used for allowable training and technical assistance funds (see Weatherization Operations Manual). Service providers must budget 100% of all awarded training and technical assistance funds. A budget revision or contract modification may be requested later in the program year for unspent T&TA funds.

3.11 MANAGEMENT PLAN

3.11.1. Enter in planned number of completed homes through December 2023. Long term planning (2024 – 2026 and beyond) for homes that will be completed in the Subgrantee Workbook. Subgrantees will be asked to update their



- management plan within OKGrants regularly, on atleast an annual basis, upon Energy Project Specialist request, or as more funds are received. However, at the time of this initial application, only the first calendar year is required. If no homes are to be planned this first calendar year, work with the agency's assigned Energy Project Specialist. Services providers can leave all other implementation periods blank until a later date.
- 3.11.2 For WAPBIL only, during the first 12-18 months, ODOC will not enforce the ACPU. Agencies will be allowed to exceed the ACPU as needed to ramp up, train staff, and increase their overall capacity. It is important to note, however, that before the contract period is over, agencies will be required to be within the ACPU requirements of \$8,009 unless ODOC has granted explicit, written approval via email. ODOC will begin to closely monitor the ACPU in BIL Years 3 and 4. Weatherization Operations Manual Requirement 33 is applicable for WAPBIL, including, and up to, payback for any and all costs that are over the ACPU at the end of the contract period. The

end of the contract period may include: termination of a contract, whether for performance issues or voluntary relinquishment. Service providers will have 4 years, or possibily even longer, to average the costs.

3.12 Uploads

- 3.12.1 The following documents must be uploaded in the Uploads link in OKGrants:
 - 3.12.1.1 **Subgrantee Workbook**. The workbook is in Excel format and each tab has tasks that must be completed. This sheet will be uploaded to OKGrants when all tabs are completed.

3.13 **SUBGRANTEE WORKBOOK**

Note: The OKGrants budget must be based on the amount of funds projected to be spent on the weatherization program from October 1, 2022, to December 31, 2023, that ODOC is awarding at this time, based on funds DOE has made available. This one year budget in OKGrants cannot exceed the 15 percent allocation presented in Figure 1.1 in <u>Appendix A</u>. The remaining years of allocation (85 percent (or more) of the total Region's funds) (future funds to be awarded) will be budgeted in the Subgrantee Workbook.

- 3.13.1 **Program Budget** Fill in the Region's name above as well as the other fields as per the Regional Budget. Fill in each of the budget categories for the first allocation from October 1, 2022, to December 31, 2023 in Column A below. The remaining 85 percent of funds, or the amount projected to be awarded past the first year's budget, will be budgeted for in Column B labeled the "Remaining 4 Year Budget for January 1, 2024 until December 31, 2026, on this worksheet. Column C is merely the totals. Again, the budget on this tab and listed below is for October 1, 2022, to December 31, 2023 and is for the remaining funds after subtracting from the first allocation.
- 3.12.2 Workforce On the Workforce tab, the Subgrantee will place current Subgrantee Staff/Contractor COUNTS and planned Sungrantee Staffing/Contractor PROJECTIONS for the period of Oct 1, 2022, to December 31, 2026. ODOC is aware this workforce plan is only a projection, and ODOC will not expect agencies to meet their workforce plan, and specialists will not be using it during monitorings. However, understanding needed staffing levels will help ODOC support the network. ODOC is aware that workforce is a challenge. BIL will only be successful if the network works collectively with ODOC to think innovatively about workforce capacity to maintain production levels.
- 3.12.3 **Production** Use the Production tab to present proposed Units/Homes production. Fill in the required "Number of Planned Units/Homes" to be weatherized. Be sure to use (at a minimum can use more) the total amount of Units/Homes provided in Appendix A. Homes may be planned at any interval as long as at least the total projected number of units is planned out for that Region. See Appendix A for data on Units/Homes to be weatherized for each Region.

3.12.4 Vehicles On the <u>Vehicles</u> tab, Regions will project the need for vehicles/trailers/vans as well as their costs. Please be thinking about the types of vehicles/trailers needed to complete four years of weatherization given new staff and production levels. *This vehicle forecasting sheet is for vehicles purchased only from BIL funding. Vehicles purchased from funds other than BIL will not be included on this tab. This tab is for future planning purposes only. To actually submit for a vehicle acquistion, the <u>Vehicle Requisition Request form</u> on ODOC's website must be completed.*

4. APPLYING AND MODIFIED APPLICATION SUBMISSION INSTRUCTION

- 4.1 Ensure that all the items on the APPLICATION MODIFICATION RESPONSE CHECKLIST below have been filled out and/or uploaded.
- 4.2 Applications must be submitted no later than <u>5:00 pm, Friday, April 14, 2023</u>. For any questions related to this RFA or application submission process, please contact the ODOC Programs Planner, Greg Gaden at <u>gregory.gaden@okcommerce.gov</u> or 405-623-9314.

APPLICATION MODIFICATION RESPONSE CHECKLIST

OKGrants Forms
☐ Applicant Information
☐ Management Plan
☐ Budget
OKGrants Uploads
☐ BIL Subgrantee Workbook
Note: Instructions can be found on each tab of the Subgrantee Workbook and it is also listed in Section
3.12 in the BIL RFA.